

AN ORDINANCE 2006-06-29-0746

**AUTHORIZING THE NEGOTIATION AND EXECUTION  
OF A LONG-TERM STANDARD SAN ANTONIO  
INTERNATIONAL AIRPORT LEASE AGREEMENT OF UP  
TO 30 YEARS WITH SINO SWEARINGEN AIRCRAFT  
CORPORATION AND A GROUND RENTAL ABATEMENT  
FOR THE PROJECT.**

\* \* \* \* \*

**WHEREAS**, following a number of assignments approved by the City, Sino Swearingen Aircraft Corporation ("Sino Swearingen") became a tenant at the San Antonio International Airport ("Airport") under Lease No. 124099, executed March 28, 1996 pursuant to Ordinance No. 62582; and

**WHEREAS**, Sino Swearingen plans to expand its facilities at the Airport, including construction of a new aircraft manufacturing facility, a capital investment of \$70 million and the creation of 850 new jobs, requiring expansion of its ground leasehold at the Airport; and

**WHEREAS**, City has offered approximately 24.9 acres of ground space adjacent to its current leasehold and facility ("Proposed Expansion Tract") to Lessee for such expansion; and

**WHEREAS**, Lessee has requested that it be allowed to enter into a single new Lease Agreement, incorporating its rights and obligations under Lease No 124099 (as amended) and the Proposed Expansion Tract; and

**WHEREAS**, Lessee has requested a partial ground rental abatement with regard to the Proposed Expansion Tract in accordance with the approved Airport Economic Development Program set out in Ordinance No. 74982, dated December 16, 1991; and

**WHEREAS**, it is in the best interests of the City to enter into a single new Lease Agreement with Lessee for the Leased Premises covered by Lease No. 124099 and the Proposed Expansion Tract and to grant such ground rental abatement; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The City Manager or her designee is authorized to execute a standard San Antonio International Airport Lease Agreement with Sino Swearingen Aircraft Corporation, combining its existing leasehold, with a Proposed Expansion Tract of up to 24.9 acres of land at the San Antonio International Airport, for a term not to exceed thirty (30) years, and including a ground rental abatement of forty percent (40%) for ten (10) years in accordance with the provisions of the Airport Economic Development Program set out in Ordinance No. 74982, dated December 16, 1991.

**SECTION 2.** The proceeds of this Lease Agreement will be deposited into SAP Fund No. 51001000, entitled "Airport Operations" Internal Order 2230000000006 and General Ledger Account 4409040 entitled "Aviation Ground Rental Non-Aviation".

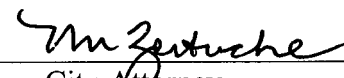
**SECTION 3.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocation to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

**SECTION 4.** This Ordinance shall be effective on or after the tenth (10th) day after passage.

**PASSED AND APPROVED** this 29th day of June, 2006.

  
**M A Y O R**  
**PHIL HARDBERGER**

**ATTEST:**   
City Clerk

**APPROVED AS TO FORM:**   
for City Attorney